



JEROME E. HORTON
CHAIRMAN
CALIFORNIA STATE BOARD OF EQUALIZATION

September 13, 2011

Honorable Edmund "Jerry" G. Brown, Jr.
Governor of California
State Capitol
Sacramento, CA 95814

Attention: Legislative Section

Dear Governor Brown:

I would like to call your attention to Assembly Bill 1424 (Perea) that will soon be on your desk for signature. This bill, among other things, amends a Board of Equalization (BOE)-related provision to expand the public list of the 250 largest tax delinquencies of more than \$100,000 to the largest 500 tax delinquencies of more than \$100,000. The bill also contains similar amendments to the Franchise Tax Board's (FTB) comparable provision.

While the Members of the BOE have no formal position on the remaining provisions of AB 1424, **the Members of the BOE unanimously support Section 10 of the bill that expands the BOE's list to include the top 500 largest delinquencies.**

As the author of the original legislation that required the BOE and the FTB to make the top 250 delinquencies available to the public (AB 1418, Stats. 2006, Ch. 716), and now as Chairman of the Board of Equalization and a Member of the Franchise Tax Board, the two agencies responsible for administering the law, I recognize that additional tools, such as this provision, are necessary to reduce the increasing balance of overdue tax debts, and protect the financial interests of the State.

Since this program began in 2007, the BOE and the FTB have received over \$87 million from taxpayers who came forward to take care of their overdue tax debts. Expanding the list to the 500 largest delinquencies would add an additional \$150 million in outstanding delinquencies to the list, bringing the total delinquencies attributable to these top 500 tax debtors to a total of over \$700 million.

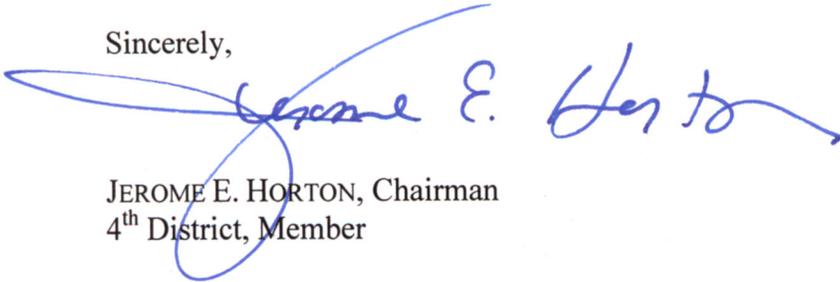
These 500 tax debtors are the most significant and egregious tax debtors in the state. **I, along with all my fellow Members of the BOE, recognize that if these tax debtors continue ignoring their tax debts, they should be held accountable for their actions, and that the public should be allowed to know who they are.**



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If you have any questions, or would like any additional information, please contact our
Legislative Counsel, Margaret S. Shedd, at (916) 322-2376.

Sincerely,

A handwritten signature in blue ink that reads "Jerome E. Horton". The signature is written in a cursive style with a large, sweeping initial "J" and a long horizontal flourish at the end.

JEROME E. HORTON, Chairman
4th District, Member

Cc: Assembly Member Henry Perea